



CITY OF SAN ANTONIO

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December 21, 2006

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Councilwoman, District 5

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Councilman, District 8

Sheryl Sculley
City Manager

Ladies and Gentlemen:

SUBJECT: Limited Review of the San Antonio Development Agency's Funding Relationship between the City, SADA, and San Antonio Affordable Housing, Inc.

We are pleased to send you the report and Management responses for a limited review requested by Jelynn L. Burley, Deputy City Manager of the funding relationship between the City, San Antonio Development Agency (SADA), and San Antonio Affordable Housing, Inc.

SADA's Management and Staff should be commended for their cooperation and assistance during this limited review. The Corrective Action Plan indicates partial acceptance of the recommendation in our report. According to City Staff, this is mostly due to other undisclosed issues identified during the transition process, which took place after our limited review had been completed.

The Internal Audit Department appreciates the opportunity to have performed this review and is available to discuss this material with you individually at your convenience.

Respectfully submitted,

Mark S. Swann CPA, CIA, CISA
Interim City Auditor

cc: Leticia Vacek, City Clerk